



Durham Annual Town Meeting

SELECT BOARD PRESENTATION

JUNE 13, 2026

Municipal Budget



The municipal budget (what we're voting on today) is the portion of the town's total budget that pays for municipal operations.

Other portions of the town's budget are:

- RSU assessment
- County assessment
- Overlay

The sum of the municipal budget (net of other municipal revenues), the RSU assessment, the County assessment, and overlay is what determines the total property taxes being assessed.

Municipal Budget Appropriations

Articles 5 through 12

	FY26 (18-month)	FY27 (12-month)	% Change (normalized)
General Government	\$1,143,060	\$821,165	7.8%
Public Safety	\$1,055,920	\$776,090	10.2%
Public Works	\$2,880,550	\$1,979,352	3.1%
Community Service	\$1,000	\$1,000	50.0%
Debt Service	\$805,318	\$624,111	16.2%
Transfer to Reserves	\$595,652	\$395,000	-0.5%
Total Appropriations	\$6,481,500	\$4,596,718	6.4%

The % Change is normalized to provide a comparative percentage change from one fiscal year to the next.

It calculates the percentage difference between two-thirds of the FY26 amount to the FY27 amount, so that they're roughly on an "apples to apples" basis.

Municipal Budget Tax Levy

Municipal Portion Only

	FY26 (18-month)	FY27 (12-month)	% Change (normalized)
Total Appropriations	\$6,481,500	\$4,596,718	6.4%
Less: Municipal Revenue	\$3,765,262	\$2,904,141	15.7%
Less: Use of Fund Bal	\$740,000	\$500,000	1.3%
Municipal Tax Levy	\$1,976,238	\$1,192,577	-9.5%

The % Change is normalized to provide a comparative percentage change from one fiscal year to the next.

It calculates the percentage difference between two-thirds of the FY26 amount to the FY27 amount, so that they're roughly on an "apples to apples" basis.

Municipal Budget Tax Levy

Total Town Budget

	FY26 (18-month)	FY27 (12-month)	% Change (normalized)
Municipal Operations	\$1,976,238	\$1,192,577	-9.5%
Education Assessment	\$10,271,448	\$7,807,619	10.1%
County Tax	\$816,323	\$918,788	12.6%
Overlay	\$20,326	\$0	-100.0%
Total Tax Levy	\$13,084,335	\$9,918,984	13.7%

*The % Change is normalized to provide a comparative percentage change from one fiscal year to the next.
For County Tax and Education Assessment, the normalized % calculates the change between FY26 12-month expenditures to FY27.*

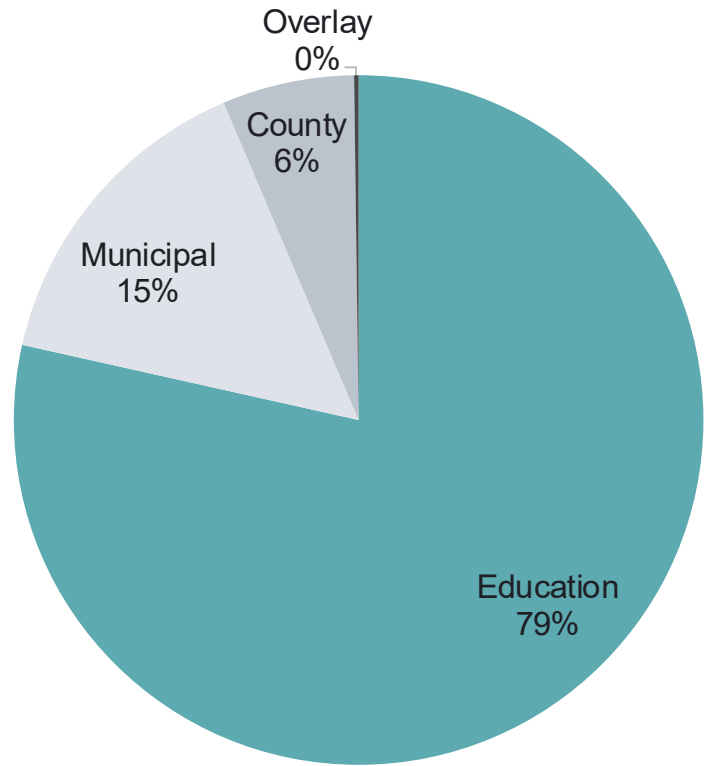
It calculates the percentage difference between two-thirds of the FY26 amount to the FY27 amount, so that they're roughly on an "apples to apples" basis.

Property Taxes

Where your tax dollars go

FISCAL YEAR 2026

For fiscal year 2026, the total property tax assessment was \$13,084,335 and the resulting mil rate was \$33.58.



	Mil Rate	% of Total
Education	\$26.36	78.5%
Municipal	\$5.07	15.1%
County	\$2.08	6.2%
Overlay	\$0.07	0.2%

Property Taxes

Where your tax dollars go

FISCAL YEAR 2027

For fiscal year 2027, the *estimated* property tax assessment will be approximately \$9,918,984 (not including overlay).

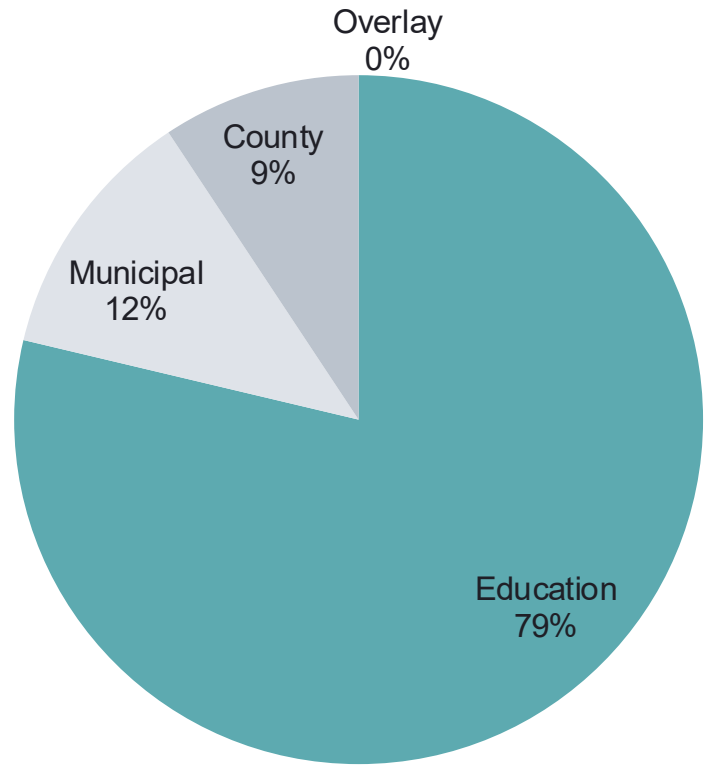
Using 2026's assessed values, the mil rate would be \$25.46.

Remember, FY26 was for an 18-month period, not the normal 12-month period. So, the FY26's total tax assessment and the resulting mil rate figures was roughly 1.5x more than what they would normally be.

Final valuation figures will affect the mil rate. Generally, valuations increase year over year, so the mil rate will likely be lower than the estimate here, all else being equal.

Homestead and BETE reimbursements are based on the mil rate and will affect the final amount for the Municipal portion as well.

Education is determined by the RSU adopted budget and Durham's final share of the assessment is not yet known.



	Mil Rate	% of Total
Education	\$20.04	78.7%
Municipal	\$3.05	12.0%
County	\$2.37	9.3%
Overlay	\$0.00	0.0%

General Fund Fund Balance

MANAGING FOR LONG-TERM HEALTH

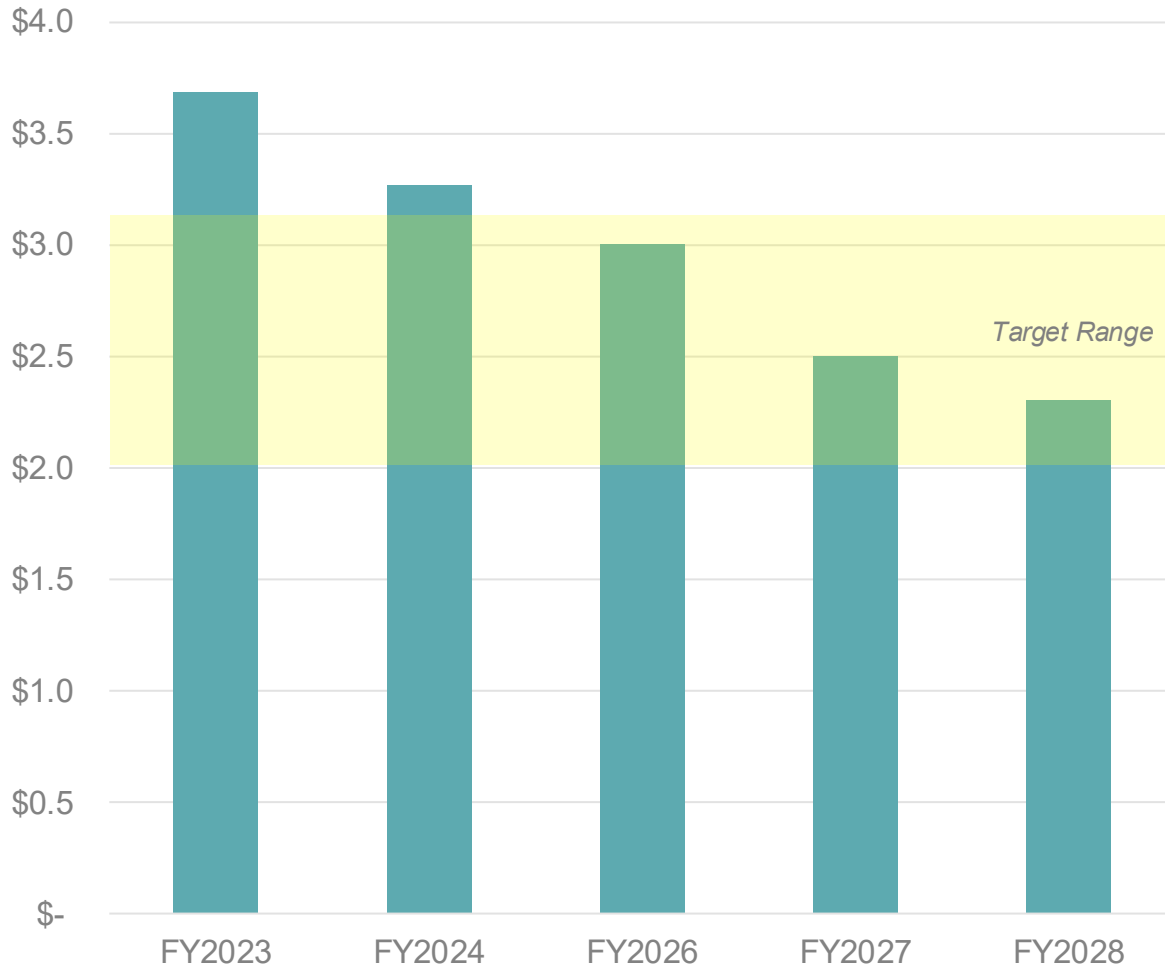
The General Fund's unassigned fund balance will end FY2026 with a balance of approximately \$3.0 million.

Too little unassigned fund balance means the town becomes financially inflexible and unstable and could start running into cash flow issues.

Too much unassigned fund balance means the town has more than necessary and can use the excess to reduce the tax burden.

In general, the unassigned fund balance should be between 15% and 25% of total annual expenditures.

Given the town's annual expenditures of roughly \$13.3 million, the target range for the unassigned fund balance is currently between \$2.0 million and \$3.3 million.



FY2027 and FY2028 ending balances are projections

Long-term Debt Amortization

	FY2027	FY2028	FY2029	FY2030	FY2031
2018 Fire Truck	\$58,893	\$58,893			
2018 Roads	\$214,650	\$208,900	\$202,990		
2014 PW Equip	\$91,120	\$91,119	\$79,938		
2019 Roads	\$259,448	\$219,744	\$215,943	\$212,006	
	\$624,111	\$578,656	\$498,871	\$212,006	\$0

Long-Term Capital Planning

INVESTING IN OUR COMMUNITY

The town maintains long-term capital improvement plan schedules for municipal buildings, public works, and public safety.

The CIP schedules estimate capital acquisitions, construction, and improvements over 10 to 20 years.

The town budgets for these through annual transfers to the reserves.

The annual transfers are intended to be steady amounts every year, regardless of the actual anticipated capital outlays, to prevent large swings year to year due to capital needs.

Copies of the long-term plans are available on the town's website.



Municipal Buildings

Current Balance: \$147,144

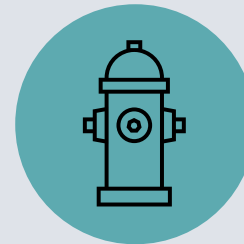
Annual Amount Raised: \$5,000



Public Works

Current Balance: \$289,931

Annual Amount Raised: \$250,000



Fire and Rescue

Current Balance: \$567,718

Annual Amount Raised: \$140,000

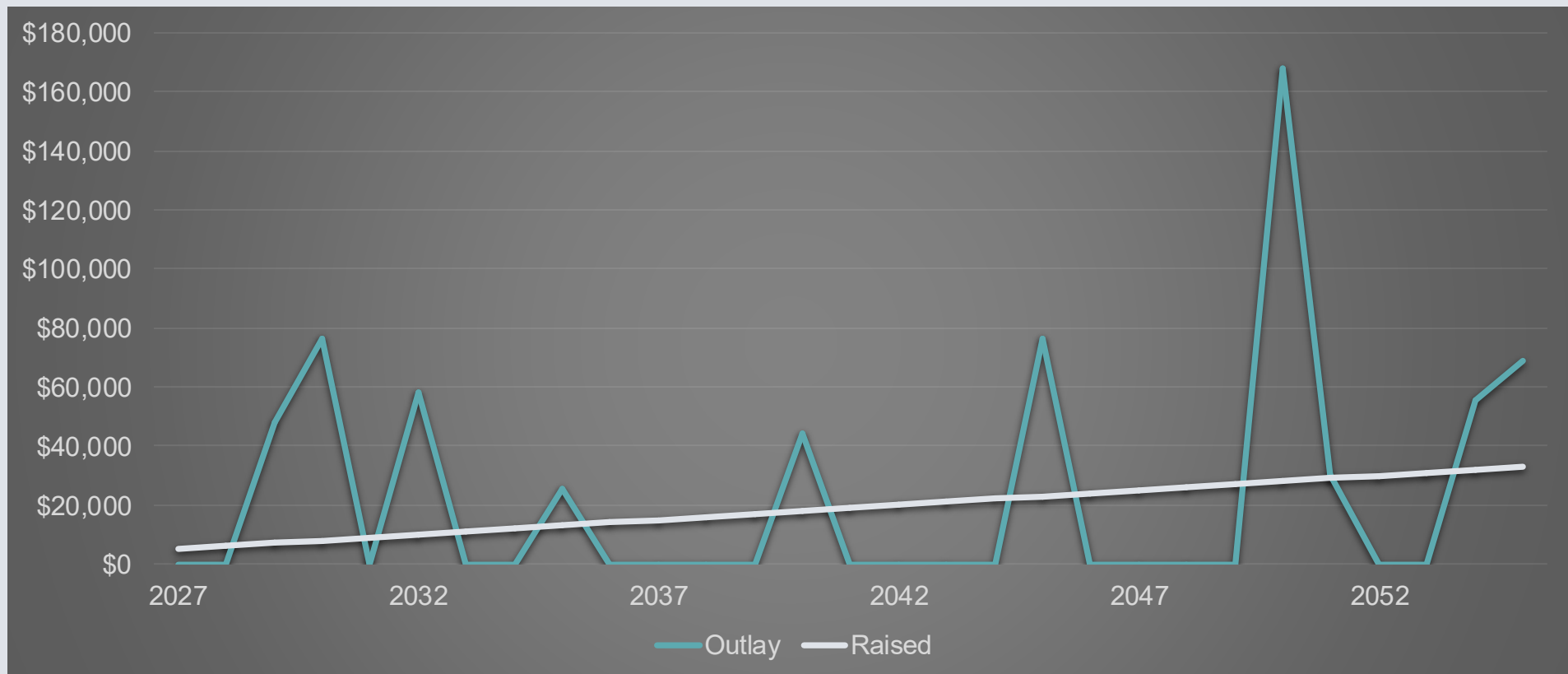
Projections are based on currently planned projects, estimated year of outlay, and estimated costs in the year of the outlay.

These projections are updated annually.

For FY2027 and FY2028, there are no planned outlays. For FY2029, planned outlays are for the Public Works Garage furnace and Salt Shed doors.

Municipal Buildings Reserve

Outlays vs Amounts Raised



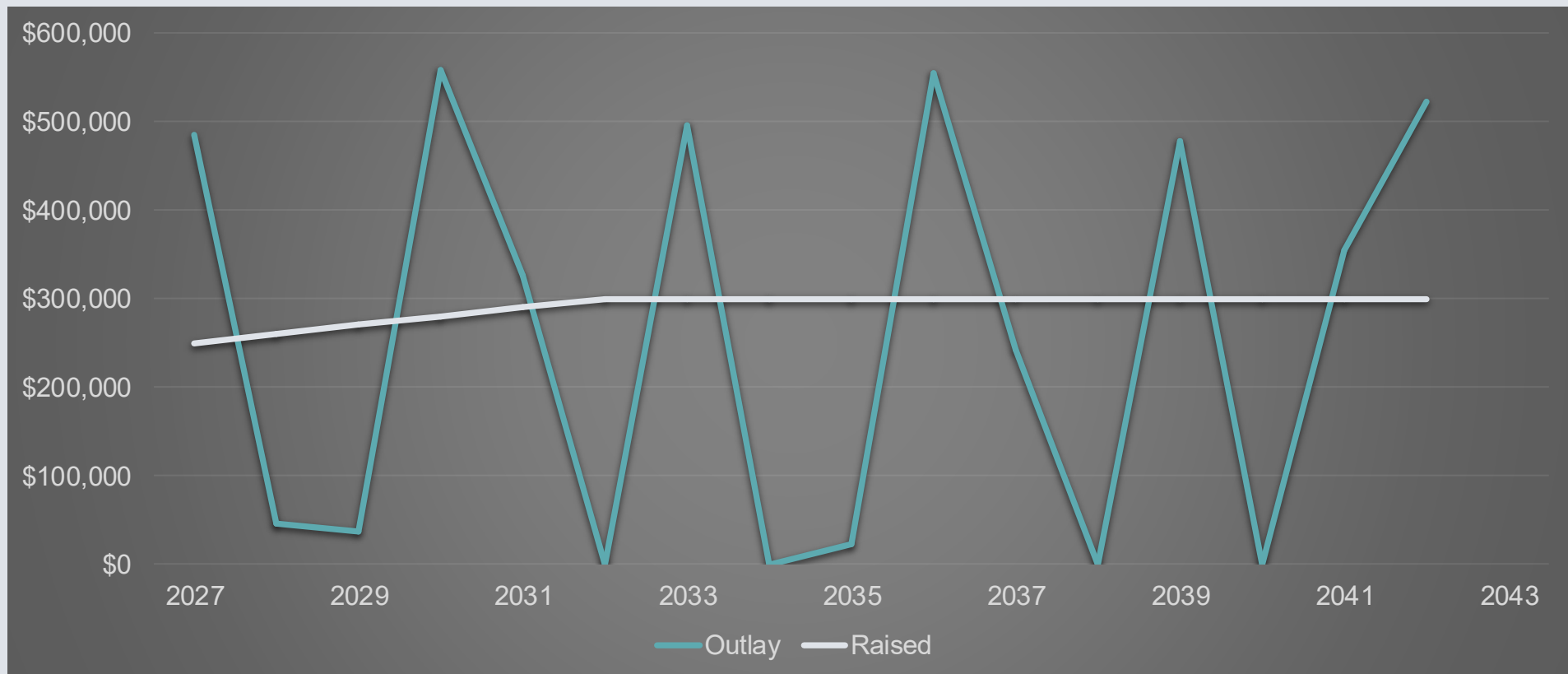
Public Works Reserve

Outlays vs Amounts Raised

Projections are based on currently planned projects, estimated year of outlay, and estimated costs in the year of the outlay.

These projections are updated annually.

For FY2027, planned outlays are for a plow truck, mobile traffic control lights, and Mill Pond work.



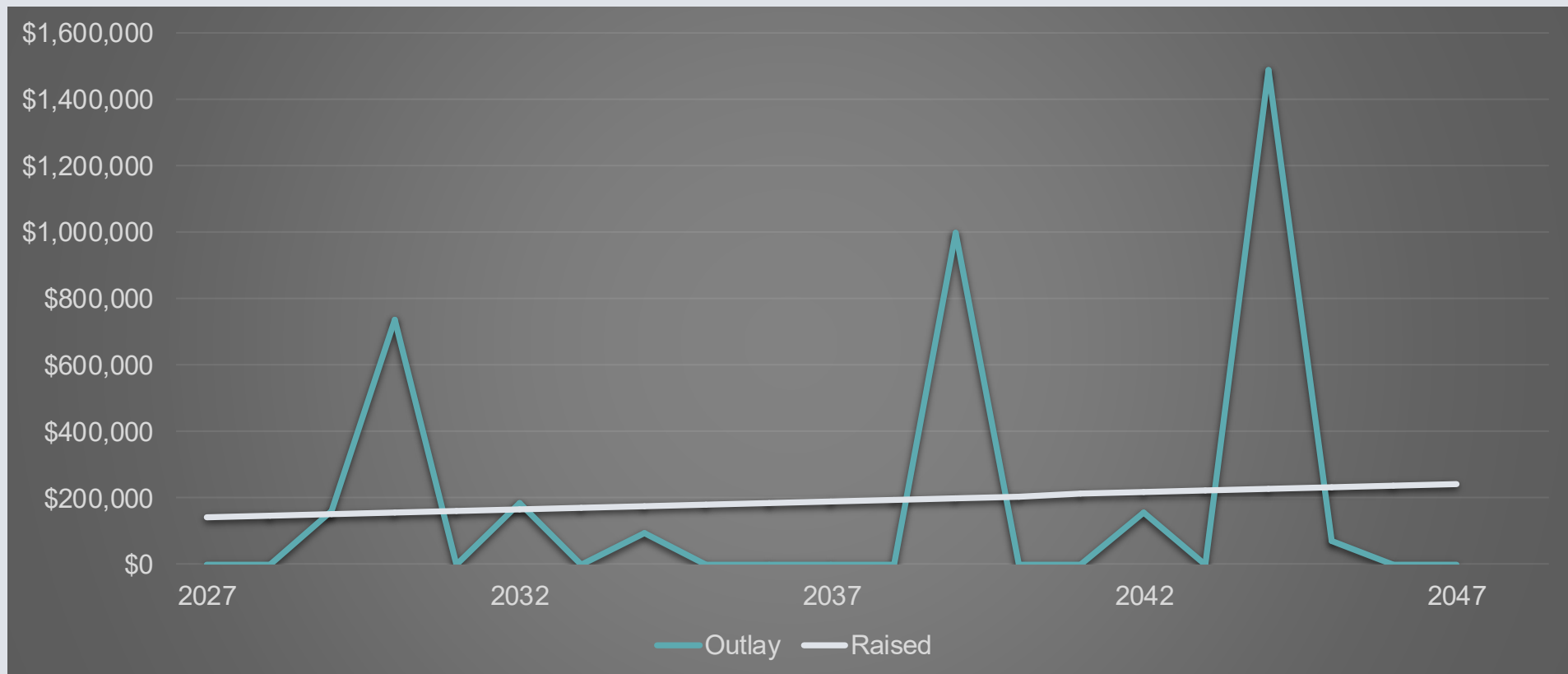
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For FY2026 and FY2028, there are no planned outlays. For FY2029, planned outlays are for a pumper truck.

Fire and Rescue Reserve

Outlays vs Amounts Raised



Other Town Reserves

In addition to Capital Reserves, the town maintains reserves for other purposes.



Contingency Reserve

Current Balance: \$50,000

Used for unplanned expenditures. Allows the town to be flexible to respond to unexpected events.



Revaluation Reserve

Current Balance: \$212,988

Used to pay for the revaluation of properties to facilitate the fair distribution of taxes based on up-to-date values



Grants Matching Reserve

Current Balance: \$25,776

Used for allow the town to apply for and expend grants that require a town match.



Union Church Restoration Reserve

Current Balance: \$6,743

Used to pay for restoration of the Union Church.

**THANK YOU FOR
PARTICIPATING TODAY!**

